



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 5, 2020

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of a Lease Amendment with Verizon Wireless to Upgrade Equipment on the Torpedo Factory, the City Owned Building Located at 105 N. Union Street for Public Hearing on February 22.

ISSUE: Consideration of a lease amendment for the modification and installation of updated antenna and equipment on the roof of the Torpedo Factory Art Center, located at 105 N. Union Street.

RECOMMENDATION: That City Council: (1) schedule for public hearing on February 22, 2020 the proposed lease amendment (Attachment 1) between the City of Alexandria and Verizon Wireless to modify and install updated antennas and equipment located on the roof of the Torpedo Factory Art Center located at 105 N. Union Street and (2) after the public hearing approve this proposed lease amendment.

BACKGROUND: The City currently has a lease agreement with Cellco Partnership, also doing business as Verizon Wireless, to lease space on the roof of the Torpedo Factory Art Center for cellular antennas and equipment. Cellco approached the City regarding their interest in modifying this cell site. Currently, the lease allows Verizon to change out equipment on a one for one basis. Verizon has requested the replacement of two existing antennas with a different model of antenna which requires an amendment to the existing lease.

DISCUSSION: The original lease between the City and Verizon includes three (3) five-year term extensions (i.e., to 2035). Both parties have the right to terminate the lease upon the annual anniversary of the commencement date of the lease if written notice is provided three (3) months prior to the current term ending. This lease is beneficial to the City and the public, as wireless coverage for users in the area will improve while the City increases its lease revenue. Verizon Wireless has completed the City's approval process for Radio and Television Reception or Transmission Structures.

FISCAL IMPACT: This lease amendment generates additional income of \$2,040 this year for a total of

\$29,052, with a three percent escalation each year thereafter. Rent increases will apply if there are future changes to the cellular equipment outside of the original model as set forth in the existing lease that remains in effect.

ATTACHMENTS:

1. Draft First Lease Amendment between Verizon Wireless and City of Alexandria
2. Original Lease

STAFF:

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